



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
May 20, 2025

TOPIC: Second Amendment to the Waste Disposal Agreement with the County of Orange

AGENDA TITLE

Second Amendment to the Waste Disposal Agreement with the County of Orange (Non-General Fund)

RECOMMENDED ACTION

Approve a second amendment to the Waste Disposal Agreement with the County of Orange for an additional one-year term ending June 30, 2026 for continued importation of waste to the County's three landfills (Agreement No. A-2025-XXX).

GOVERNMENT CODE §84308 APPLIES: No

DISCUSSION

The Public Works Agency's (PWA) Parks, Fleet, Facilities, and Refuse Division is responsible for the administration and oversight of the refuse collection service in the City. The Refuse Enterprise Section oversees citywide trash and recycling, edible food recovery program, neighborhood cleanup program, and implementation of the City's waste hauler contract. The disposal of solid waste at the Orange County landfills is governed by a 2009 Waste Disposal Agreement (WDA). In this agreement, the cities within Orange County (County) agreed to deposit their solid waste at the three County landfill facilities in return for low and stable disposal rates. The agreement also set parameters for the importation of waste from outside the County into these landfills. The term of the WDA began on July 1, 2010 and ran through June 30, 2020, with importation of waste from outside the County expiring on June 30, 2016. On February 16, 2016, City Council approved an amendment with the County to extend the terms of the WDA through June 30, 2025.

In January 2022, Orange County Waste & Recycling (OCW&R) notified the County cities of its intent to revise the WDA to align with legislative requirements; such as, Senate Bill 1383 which requires local governments to divert organic waste, like food scraps and landscaping waste, away from landfills. OCW&R presented a proposed successor agreement to the WDA, titled the Waste Infrastructure System Enhancement (WISE) agreement at an Orange County City Manager's summit on November 7, 2024. The WISE agreement proposed increasing the landfill disposal rate from \$42.65 to \$82 per ton, a 92.3% increase. It also proposed a rebate program for composted organic

waste and an allocation of capital expenditures for organics recycling infrastructure at County landfills.

The Orange County City Manager Association (OCCMA) formed a committee in December 2024 to negotiate a successor agreement to the WDA and requested an extension of the current WDA to allow time for such negotiations. OCW&R has agreed to the OCCMA committee's requested extension under the terms of the proposed amendment. However, provisions shall not become effective unless and until the amendment has been executed by all of Orange County cities/sanitary districts.

The amendment will provide for a 12-month extension of the current WDA and a 2.6% disposal fee increase to \$43.76 per ton, per the escalation formula in the current WDA (Exhibit 1). This disposal fee increase is expected to result in a modest rise in the City's overall waste management costs. However, the increase remains in line with the terms of the existing agreement and reflects standard annual cost escalation. The impact on the community is minimal, as residential and commercial rates are not anticipated to change as a direct result of this adjustment. The extension period will allow stakeholders to conduct due diligence on a successor agreement to the WDA as well as evaluate costs, infrastructure plans, and future fee adjustments. If the OCCMA committee and OCW&R do not reach mutually agreeable terms by September 30, 2025, monthly updates will be provided to all cities/sanitary districts beginning October 2025.

Staff recommends the approval of a Second Amendment to the WDA to allow continued importation of waste to the County's three landfills and continued negotiations among all cities/sanitary districts in Orange County for an additional year (Exhibit 2). This will ensure stable disposal rates for residents and businesses and preserve existing service levels.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

The estimated importation revenue resulting from this second amendment will be deposited into the following account for the specified year:

Fiscal Year	Accounting Unit-Account #	Fund Description	Accounting Unit, Account Description	Amount
FY 25-26	06917002-57702	Refuse Collection Service	Revenue Collection Revenue, County Waste Importation	\$490,000
TOTAL				\$490,000

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EXHIBIT(S)

1. Waste Disposal Agreement
2. Second Amendment to Waste Disposal Agreement

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Alvaro Nuñez, City Manager